

# **Exhibit 16**

## Message

**From:** Malcolm Cohen [/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=11CAB7EAD6C46EBBD4EDAEE4DC0A973-MALCOLM COH]  
**Sent:** 2/9/2019 10:41:17 PM  
**To:** Gervase MacGregor [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=64cfe8d5ed14471c8f7499c161f62c4b-Gervase Mac]; Angela Foyle [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d9e58234edbf4e53a70241a7b769e613-Angela Foyl]; Stephen Peters [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=9949ea21224f40f0ba405cdd89449f2a-Steve Peter]  
**CC:** Edward Saffer [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=d8c9ca05c159471db677729820e71cde-Edward Saff]  
**Subject:** Redacted – Regulatory  
**Attachments:** 2019-02-08 12-56.pdf

I received a call on Tuesday the 5<sup>th</sup> Feb from David Barnett , [steinmetz's lawyer and Nysco representative ] asking if I could meet him later that day . I met him at 4.00pm on Tuesday together with Libson and Leibowitz from Mishcons . Barnett advised that there was a possibility of a settlement of the ICSID claim as an approach had been made to Steinmetz from Guinea through Sarkozy who had met Steinmetz recently in Madagascar . [ Sarkozy knows Conde the Guinea president and Steinmetz].

Barnett advised that Apparently Conde is seeking re election for a third term [not sure exactly when that is] and demonstrating renewed activity in the country's mining resources will be well received and there were discussions that might facilitate that . Barnett asked ,if it was felt that this might be a serious attempt at settlement if I might be able to go to Paris to meet Sarkozy or his representative and a representative of the president who it was hoped would be in paris with Steinmetz on Thursday . Barnett went through some very broad terms that were being considered.

- 1.both sides waiving all claims against each other [including directors/shareholders]
- 2.Simandou Blocks 1 and 2 where BSGR had exploration rights only[which were expropriated] would be given up . [as to mine would need billions in investment in infrastructure to build roads /railways /port etc and no one had that money ]
- 3.Zagota mine where BSGR had mining licence[ now expropriated] would be handed back by Guinea
- 4.However Licence would be granted to investor consortium as Conde will not deal with BSGR as an insolvent entity . Consortium will pay royalties to BSGR following production. Steinmetz would have small interest in consortium .

Barnett said if BSGR win ICSID , monetising any award will be virtually impossible so obtaining some form of royalty income made sense. Libson advised [Redacted – Attorney Client Privileged Information]

[Redacted – Attorney Client Privileged Information]

I advised Ed Saffer of the above on the 6<sup>th</sup> Feb and Simon Michaels

I received a call from Barnett on Wednesday afternoon asking me to come to Paris so I could see for myself that this was a serious settlement possibility [I had wanted Mat Newman from Ogiers to accompany me as he will be presenting any application to the Guernsey Court to bless the entering into a settlement . Unfortunately he was in London and his passport was in Guernsey and due to the fog that day in Guernsey he was stuck so was unable to join ].

I met with Steinmetz, Daniel Pollock [Steinmetz employee] and Barnett in a Paris hotel around midday on the 7<sup>th</sup> feb and they went through the proposed terms in a little more detail but terms still very vague . I was advised that

Steinmetz had met Sarkozy the previous evening in Paris who was pushing hard to conclude a deal advising that there was a small window of opportunity to close a deal and hence the urgency .

Ogiers had advised me

**Redacted – Attorney Client Privileged Information**

## **Redacted – Attorney Client Privileged Information**

I told steinmetz that it would be necessary to consult with SCB and make a court application in Guernsey before any settlement could be concluded.

I was asked to meet with Pierre Regent [ Sarkozy's assistant] and Mamadou Koyata [Conde's representative who were in the same hotel . I had a very short meeting with the two of them [ and steinmetz and Pollock] when I explained who I was and confirmed that any settlement would need to be agreed by me as Administrator].It appeared that Regent and Koyata had been working on settlement terms.

I then had further short meeting with steinmetz , Barnett and Pollock , Dag Cramer also joined who had flown in from South Africa . I was given the proposed structure paper [attached] and it was explained that Niron plc would be the investor led by Mick Davis [ex, Xstrata] who would be coming to Paris the next day to have further discussions. To sweeten the deal for the investor , exploitation of deposits in Nimba another mine close to Zogata [nothing to do with BSGR] would be included in any deal.

Meeting ended and I returned to London

Calls were had on the 8<sup>th</sup> feb with Reed Smith and Ogiers seeking further clarification on the processes necessary to progress .and with SCB to inform them of the possibility of a settlement . Conversation also had with Dag Cramer from Paris who advised Mick Davis was in Paris ,positive discussions had taken place and a letter of intent would follow from Niron providing more detail of possible royalty flow etc . [

Ogiers have reserved a hearing on Thursday the 14<sup>th</sup> Feb in the Guernsey court for any directions application .

To do

1. Agree protocol for actions post receipt of consent and if protocol allows and in no particular order
2. Get heads of terms and consider
3. Get clear recommendation from lawyers that settlement of ICSID is best option for BSGR
4. DD from our BDO natural resources team /forensic team and possibly external advisors
5. Conflict searches on Consortium once known
6. Get waiver letter from Nysco
7. Consider possible tax implications
8. Get lawyers advice re Vale SPA and promissory note and obligations for BSGR
9. Progress discussions with SCB and seek legal advice to consider overreaching if no agreement can be reached .
10. Prepare Court application

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## PROPOSED STRUCTURE

